

PUBLIC UTILITIES



UTAH FACTS



PUBLIC UTILITIES

Utah's providers of electric power and natural gas include Utah Power (a division of Scottish Power), Questar Gas Company, Deseret Generation and Transmission, Intermountain Power Agency and several rural electric cooperatives and municipal utility systems.

The Public Service Commission regulates electric power and natural gas rates of investor-owned utilities. This regulatory body is comprised of a chairman and two commissioners appointed by the governor for six-year terms. Municipal power companies are regulated by local power boards. Most of Utah's water users are served by approved municipal water systems governed by water boards of the respective municipalities.

PUBLIC UTILITIES HIGHLIGHTS

Electric power rates charged by Utah Power have declined over 25% since 1988.

Natural gas prices in Utah are competitive with other areas of the country.

Utah enjoys state-of-the-art telecommunications systems including an extensive fiber optic backbone.

High-quality groundwater is readily available statewide.

ELECTRIC POWER PRICES

Industrial electric rates in Salt Lake City compare favorably with those in other major Western cities, Chart 1. Monthly residential electric bills in Utah run from \$41.91 in Logan to \$34.59 in Salt Lake City to a low of \$32.75 in St. George. Charges for typical monthly industrial, commercial and residential electric bills for 19 Western cities are presented in Table 1.

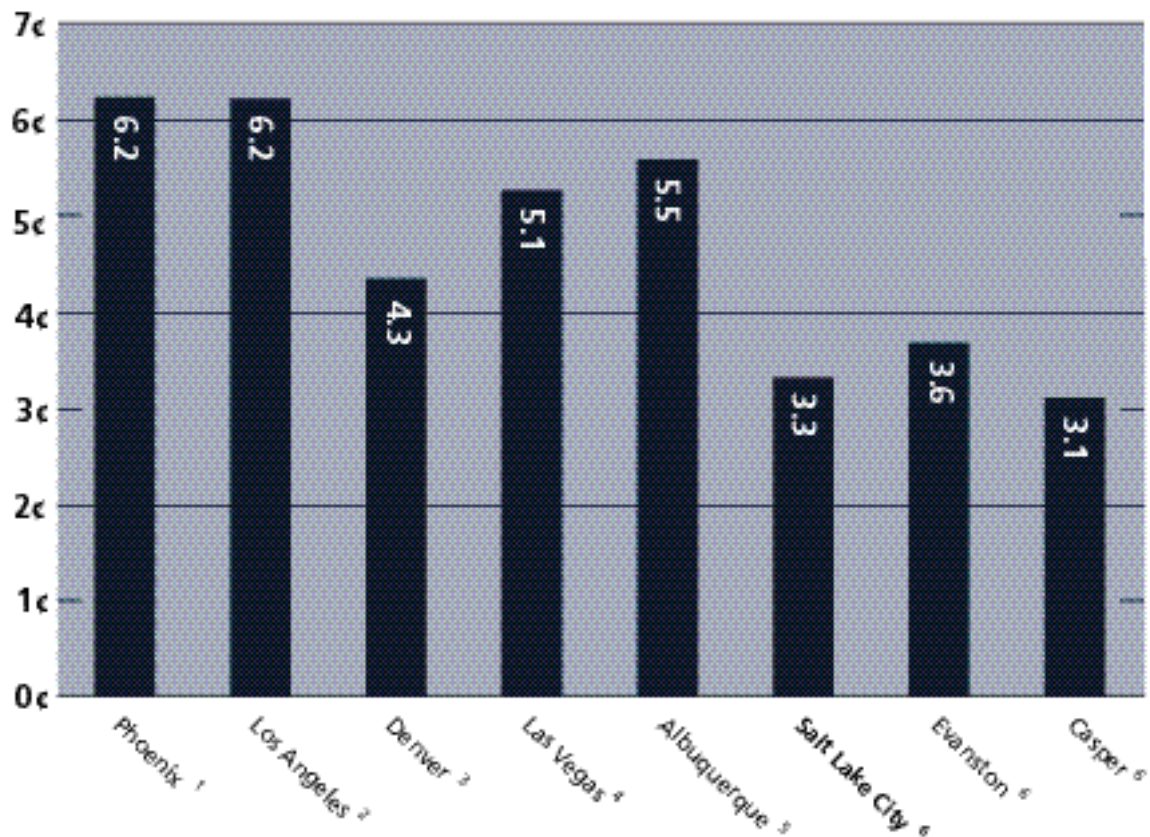
Average prices for Utah Power customers under various rates are shown in Table 2. Electric power rates charged by Utah Power have declined over 25% since 1988. Rates are expected to remain stable over the next few years.

For more information concerning power rates in Utah, please contact Utah Power, (888) 221-7070.

Forty-two of the state's municipalities provide electric power to their residents and also contribute power to six rural electric cooperatives. Rate information for an area not served by Utah Power may be obtained by contacting utility offices listed in Table 3.

AVERAGE INDUSTRIAL ELECTRICITY PRICE PER KILOWATT HOUR SELECTED WESTERN CITIES, 2000

CHART 1



¹ Arizona Public Service Co.

² Southern California Edison Co.

³ Public Service Commission of Colorado

⁴ Nevada Power

⁵ Public Service Commission of New Mexico

⁶ Utah Power/PacificCorp.

Source: Edison Electric Institute, published winter 2000 survey results.

TELECOMMUNICATIONS

Utah has become a Western states telecommunications hub. The state processes more than two million inbound calls per day. QWest Communications has invested over \$1 billion in telecommunications infrastructure. Currently, more than 91% of all access lines are served by electronic switching centers, and two central offices are equipped with integrated services digital networks (ISDN). QWest's 1/2ber optic line from Logan to St. George is in place. AT&T's transcontinental fiber cable enters Salt Lake City via Parleys Canyon and terminates in a downtown switching center before branching to Seattle and San Francisco. It can handle 1.3 million calls daily. AT&T's Utah investment tops \$150 million and the company says more expansion looms ahead.

**TYPICAL MONTHLY ELECTRIC BILLS
SELECTED CITIES
JANUARY 1, 2000**

TABLE 1

State/City	Company	Industrial (5000 kW–2400 MWh)	Industrial (300 kW–60 MWh)	Commercial (30 kW–6,000kWh)	Residential (500 kWh)
Utah					
	Logan / Logan City Power ¹	\$ 134,612 ²	\$ 5,342	\$ 477	\$ 41.91
	Ogden / PacifiCorp	75,481	3,829	373	34.59
	Orem / PacifiCorp	75,481	3,829	373	34.59
	Provo / Provo City Power	125,760	4,405	471	37.90
	St. George / Dixie Escalante Electric ³	95,000	3,750	357	32.75
	Salt Lake City / PacifiCorp	75,481	3,829	373	34.59
Arizona					
	Phoenix / Arizona Public Service	140,631	5,588	619	47.83
	Tucson / Tucson Electric Power	166,213	6,173	663	46.28
California					
	Los Angeles / Southern California Edison	166,811	6,322	685	59.36
	San Francisco / Pacific Gas & Electric	141,656	4,937	561	54.52
Colorado					
	Denver / UtiliCorp	104,184	3,954	437	36.14
Idaho					
	Boise / Idaho Power	72,705	2,580	263	27.82
Nevada					
	Las Vegas / Nevada Power	106,200	3,067	414	35.82
	Reno / Sierra Pacific Power	150,556	5,445	531	45.50
New Mexico					
	Albuquerque / PNM	160,190	6,565	561	46.51
Oregon					
	Portland / Portland General Electric	94,804	3,273	333	31.80
Texas					
	Dallas / Texas Utilities Electric	119,923	5,308	557	43.22
	Houston / Houston Lighting & Power	108,100	4,829	491	39.59

Sources: Edison Electric Institute, Typical Bills and Average Rates Report, Winter 1999, unpublished data from the cities, 1999.

¹ This data reflects a 24% across the board increase that is effective as of 1/1/2001

² Logan does not currently have a specific rate for this customer size. The data quoted for Logan is using the industrial rate 7, which is designed for customers of 1,000 kW to 2,000 kW. For more information, please contact Logan City Light & Power at (435) 716-9700.

³ Data from Dixie Escalante Rural Electric Association, (435) 673-3297.

**AVERAGE PRICE OF ELECTRIC POWER
UTAH POWER 1999**

TABLE 2

Rate Schedule	Customer's Use Type	Average Cost per kWh ¹
Schedule 1	Residential Service	6.22 cents
Schedule 23	General Service - Distribution Voltage Small customer with power requirements not greater than 30kW during 7 of any continuous 12-month periods and never exceeding 35kW.	6.10 cents
Schedule 6	General Service - Distribution Voltage	4.90 cents
Schedule 9	General Service - High Voltage Delivery at 46kv or greater with customer-owned substation.	3.20 cents

¹ Average cost per kWh excludes taxes.

Source: Utah Power, Utah Schedules, March 2000.

UTAH MUNICIPAL POWER OFFICES

Company	Phone Number
City of Bountiful	801-298-6065
Dixie-Escalante Rural Electric Association	435-439-5311
Ephraim	435-283-4631
Fillmore	435-743-5233
Garkane Power Association	435-896-5403
Heber Light & Power	435-654-1581
Intermountain Consumer Power Association	801-566-3933
Logan City Corporation	435-716-9700
Monroe	435-527-4621
Murray City Power Department	435-264-2730
Provo City Department of Energy	801-379-6800
St. George	435-634-5800
Utah Power / PacifiCorp	888-221-7070

PRICE OF NATURAL GAS AVERAGE COST PER DECATHERM¹ QUESTAR GAS COMPANY 1999

TABLE 4

Type of Service	Volume	Traditional Service Area ²		Service Extension Area ³	
		Rate	Cost-Dth	Rate	Cost-Dth
General (Firm)	100Dth/yr	GS-1	\$4.46	GSS	\$6.17
	1,000Dth/yr		3.86		6.17
	7,000Dth/yr		3.53		6.17
Commercial ⁴ (Firm)	2,100Dth/yr	F-1	\$3.28		
	10,000Dth/yr		3.15		
	20,000Dth/yr		3.11		
Industrial ⁵ (Interruptible)	10,000Dth/yr	I-2	\$2.60	IS-2	\$2.80
	20,000Dth/yr		2.60		2.70
	50,000Dth/yr		2.60		2.63
Industrial ⁶ (Interruptible)	First 875 Dth/mo	I-4	\$2.59	IS-4	\$4.84
	Next 121,625		2.47		2.47
	All over 122,500		2.46		2.46
Transportation ⁷ (Interruptible)	750,000Dth/yr	I-T	\$2.30	IT-S	\$2.34
	100,000Dth/yr		1.11		2.24
	200,000Dth/yr		2.17		2.18

¹ Decatherm = 1 million Btu's or 10 therms.

² Includes the following counties: Box Elder, Cache (except Cove area), Carbon, Davis, Duchesne, Emery (except Cleveland and Elmo area), Northeastern Iron, Morgan, Piute, Rich, Salt Lake, Sanpete, Sevier, Summit, Tooele, Uintah, Utah, Wasatch, and Weber. Areas in which an Extension Area Charge is also applicable: Ogden Valley - an area which includes the town of Huntsville, the communities of Eden and Liberty and unincorporated areas in Eastern Weber County and Northwestern Morgan county adjacent to the gas line to this area. New Harmony, Panguitch, Oak City, Joseph & Sevier and the areas adjacent to the tap lines serving these communities.

³ Includes the following counties: Beaver, Cache (Cove area), Emery (Cleveland and Elmo area), Southeastern & Western Iron, Millard, southern & Northwestern Washington County in Utah, and Franklin in Idaho.

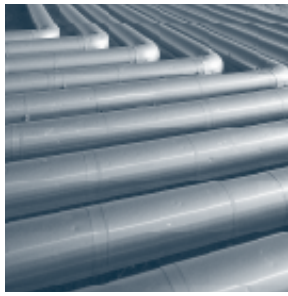
⁴ Requires annual use of 2,100 Dth or more, and 40% or greater load factor, winter use cannot exceed 875 Dth/day.

⁵ Requires standby fuel capability, annual use of 7,000 Dth or more, and 15% or greater load factor. Daily use cannot exceed 2,000 Dth.

⁶ Is a fixed rate for service from July 1, 1999 through June 30, 2000 for customers who qualified and signed I-4/IS-4 contracts during our I-4/IS-4 open season, which was held from April 27, 1999 through May 29, 2000. Requires standby fuel capability and 50% or greater load factor.

⁷ Cost to the end user, based on a purchased gas price of \$2.00 per decatherm, which the customer buys from a supplier and transports to Questar Gas Company's distribution system. This figure can be adjusted up or down depending on the contract cost the customer is able to negotiate with the wellhead supplier. Requires that gas be delivered to the city gate using Questar Gas Company's released capacity. Requires standby fuel capability.

Source: Questar Gas Company, based on Utah tariff rates effective: July 1, 1999 for Firm and Interruptible Sales Service, January 1, 1998 for Interruptible Transportation Service.



N A T U R A L G A S P R I C E S

Natural gas prices in Utah are among the lowest in the nation. In addition, few regions of the country can compete with Utah when it comes to abundant supply and reliable service. The principal supplier of natural gas in Utah is Questar Gas Company (formerly Mountain Fuel Supply). More than one-half of Questar's natural gas comes from its own reserves. The fuel is delivered to sales service customers at cost-of-service, or the cost of producing the gas, which is typically lower than the cost of purchased gas. Depending on a customer's usage, Questar Gas can provide firm or interruptible natural gas sales service, or transportation service. Prices vary according to the type of service and usage level, as shown in Table 4.

For more information, contact Questar Gas Company, Economic Development Department, 1140 West 200 South, Salt Lake City, Utah 84104, (801) 324-5111, Fax: (801) 324-5517.

P U B L I C W A T E R S U P P L Y

One of Utah's most valuable resources is the high-quality ground-water available throughout most of the state. Virtually all of Utah's municipal waterworks systems have access to springs and wells.

Although Utah is located in an arid region, the mountain watershed areas, which feed the state's natural and man-made storage systems, receive up to 60 inches of precipitation annually. The yield from the Utah watershed is combined with yield from rivers that flow through Utah to provide a sufficient water supply to meet the needs of an expanding economy.

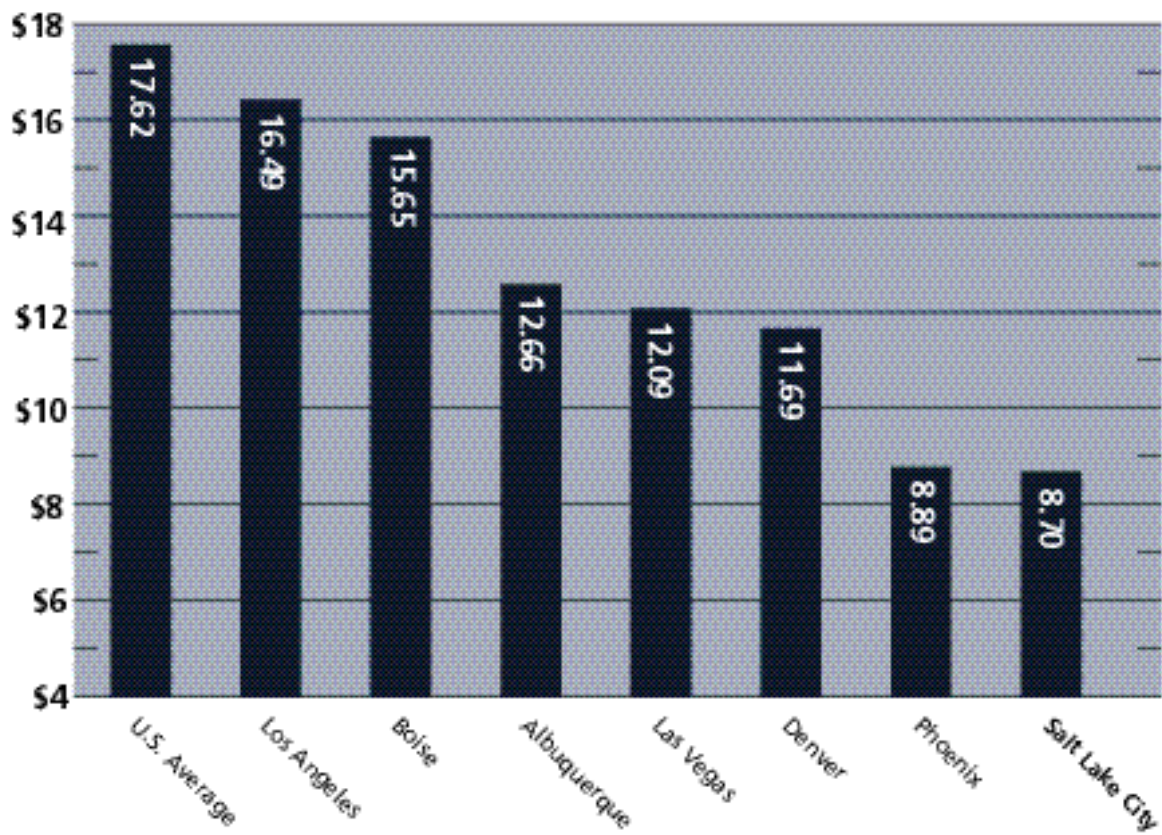
Water is supplied to users by a number of improvement districts, water districts and local communities. A comparison of monthly water charges of selected western states is shown in Chart 2.

For more information regarding Utah's public water supply, contact Utah Division of Drinking Water, Manager, Engineering Section, P.O. Box 144830, Salt Lake City, Utah 84114-4830, (801) 536-4200.



COMPARISON OF MONTHLY WATER CHARGES
1000 CUBIC FEET OF RESIDENTIAL WATER
SELECTED WESTERN STATES, 1997

CHART 2



Source: Economic Report to the Governor 2000, 1998 Raftelis Environmental Consulting Group, Inc.